

Designation Run Report

CT2 Edward Hazewski - Plaintiffs' Submission

Hazewski, Edward 10-25-2018

Plaintiffs Affirmative Designations 00:34:58

Defense Completeness Counters 00:03:32

Our Completeness Counters 00:00:44

Total Time 00:39:14



HE05-CT2 Edward Hazewski - Plaintiffs' Submission

Page/Line	Source	ID
14:4 - 14:15	Hazewski, Edward 10-25-2018 (00:00:21) 14:4 BY MR. PIFKO: 14:5 Q. Good morning. 14:6 A. Good morning. 14:7 Q. My name is Mark Pifko, I 14:8 represent the plaintiffs in the case that 14:9 we're here for, and I'm going to be 14:10 asking you some questions today. 14:11 Let's start by -- can you 14:12 please state and spell your name for the 14:13 record. 14:14 A. Yes. First name is Edward. 14:15 Last name Hazewski, H-A-Z-E-W-S-K-I.	HE05.1
17:14 - 18:13	Hazewski, Edward 10-25-2018 (00:00:36) 17:14 Q. You understand that the 17:15 court reporter just administered the oath 17:16 to you. Yes? 17:17 A. Yes. 17:18 Q. Okay. And that means that 17:19 if you are untruthful or intentionally 17:20 misleading or dishonest, you can be 17:21 subject to penalties from the court. Do 17:22 you understand that? 17:23 A. Understood. 17:24 Q. Okay. Is there any reason 18:1 why you think this deposition should not 18:2 proceed today? 18:3 A. No. 18:4 Q. Are you taking any 18:5 medications or undergoing any treatment 18:6 that would impair your ability to tell 18:7 the truth? 18:8 A. No. 18:9 Q. Are you -- same thing, are 18:10 you taking the medications or undergoing 18:11 the treatment that would impair your 18:12 memory? 18:13 A. No.	HE05.2
19:4 - 19:9	Hazewski, Edward 10-25-2018 (00:00:12) 19:4 Q. So you are currently	HE05.3

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	19:5 employed by AmerisourceBergen, correct?	
	19:6 A. Correct.	
	19:7 Q. What's your current title?	
	19:8 A. Director diversion control	
	19:9 and security.	
19:10 - 20:5	Hazewski, Edward 10-25-2018 (00:01:08)	HE05.91
	19:10 Q. Who do you report to?	
	19:11 A. David May.	
	19:12 Q. Where are you physically	
	19:13 located? Here in Pennsylvania?	
	19:14 A. Yes. In Valley Forge,	
	19:15 Pennsylvania.	
	19:16 Q. When did you first become	
	19:17 employed by AmerisourceBergen?	
	19:18 A. June of 2007.	
	19:19 Q. What was the position that	
	19:20 you took when you were first hired?	
	19:21 A. I believe the title was	
	19:22 corporate investigator.	
	19:23 Q. How long did you hold that	
	19:24 position?	
	20:1 A. Roughly a year.	
	20:2 Q. And then what -- what was	
	20:3 your next role?	
	20:4 A. My next role was as manager	
	20:5 of the diversion control program.	
20:19 - 21:18	Hazewski, Edward 10-25-2018 (00:01:22)	HE05.4
	20:19 Q. So you said you are director	
	20:20 of diversion control. What is your area	
	20:21 of focus currently?	
	20:22 A. Currently it's special	
	20:23 projects as identified by David May.	
	20:24 Q. How long have you been in	
	21:1 that role?	
	21:2 A. Probably since March of this	
	21:3 year.	
	21:4 Q. Okay. Going back. So	
	21:5 corporate investigator, and then manager	
	21:6 of diversion and control. Who did you	
	21:7 report to when you were manager of	

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	21:8 diversion control?	
	21:9 A. Chris Zimmerman.	
	21:10 Q. How long were you in that	
	21:11 position?	
	21:12 A. From 2008 until 2014. I	
	21:13 can't be more specific in terms of --	
	21:14 Q. Okay. In 2014, what role	
	21:15 did you move into?	
	21:16 A. I -- I moved into the role	
	21:17 as -- with corporate investigations,	
	21:18 working along with Bruce Gundy.	
21:19 - 21:22	Hazewski, Edward 10-25-2018 (00:00:08)	HE05.87
	21:19 Q. And how long were you in	
	21:20 that role?	
	21:21 A. I would say approximately	
	21:22 two years.	
25:8 - 25:21	Hazewski, Edward 10-25-2018 (00:00:37)	HE05.5
	25:8 Q. So you joined as an	
	25:9 investigator. And you were in the CSRA	
	25:10 division, correct?	
	25:11 A. Correct.	
	25:12 Q. What -- what was your job as	
	25:13 an investigator at that time? What were	
	25:14 your duties?	
	25:15 A. Well, I would be assigned	
	25:16 cases by Bruce Gundy, obviously to	
	25:17 investigate. It ran the gamut. There	
	25:18 was no specific area that -- that I	
	25:19 concentrated on. It was, again, whatever	
	25:20 required some sort of investigative work,	
	25:21 it would be assigned.	
49:8 - 49:9	Hazewski, Edward 10-25-2018 (00:00:05)	HE05.6
	49:8 Q. I'm handing you what are	
	49:9 marked as Exhibits 1 and 2.	
49:10 - 49:16	Hazewski, Edward 10-25-2018 (00:00:33)	HE05.88
	49:10 Exhibit 1 is a document	
	49:11 Bates-labeled ABDCMDL00265457 and	
	49:12 Exhibit 2 is a PowerPoint presentation	
	49:13 Bates-labeled ABDCMDL00265458. I believe	
	49:14 that was produced natively. So it only	

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49:15 has one Bates number for the entire
49:16 document.

50:6 - 50:13

Hazewski, Edward 10-25-2018 (00:00:20)

HE05.7

50:6 Q. The first document is an
50:7 e-mail from you to several people
50:8 attaching the second document.
50:9 Have you seen this document
50:10 before?

50:11 A. I have no specific
50:12 recollection, but my name is on it. So I
50:13 would assume I have at some point.

50:14 - 50:19

Hazewski, Edward 10-25-2018 (00:00:11)

HE05.8

50:14 Q. How about the presentation?
50:15 Do you remember putting this presentation
50:16 together, Exhibit 2?
50:17 A. Again, not specifically, but
50:18 it looks like something that I would have
50:19 done.

50:20 - 51:16

Hazewski, Edward 10-25-2018 (00:00:44)

HE05.9

50:20 Q. It says here on Exhibit 1,
50:21 "Attached is a draft of the presentation
50:22 that I'm planning to have put on the
50:23 learning management system."
50:24 Do you see that?

51:1 A. Yes.

51:2 Q. "Keep in mind that there
51:3 will be dialogue associated with each
51:4 slide. The training is aimed at sales
51:5 associates, inside sales, and customer
51:6 service reps in addition to any
51:7 distribution center associates with an
51:8 OMP function or those who handle
51:9 controlled substances."

51:10 Do you see that?

51:11 A. Yes.

51:12 Q. Okay. Does that refresh
51:13 your recollection about who this training
51:14 was intended to be for?

51:15 A. Well, I think it spells it
51:16 out, yes.

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51:24 - 52:3	Hazewski, Edward 10-25-2018 (00:00:09) 51:24 Q. This particular training, 52:1 this e-mail is dated April 16th, 2012. 52:2 Do you see that on the e-mail? 52:3 A. Yeah.	HE05.10
53:13 - 53:21	Hazewski, Edward 10-25-2018 (00:00:18) 53:13 Q. Okay. What I'm trying to 53:14 get at is, is the idea of recognizing a 53:15 red flag or looking for a red flag of 53:16 diversion something that, as far as you 53:17 know, was always part of the idea of 53:18 preventing diversion? 53:19 A. As far as I know. 53:20 Q. Yes? 53:21 A. Yes.	HE05.11
59:14 - 60:1	Hazewski, Edward 10-25-2018 (00:00:45) 59:14 Q. Let's go a few pages into 59:15 your PowerPoint presentation. 59:16 There's a page that says red 59:17 flags. It's on the screen in front of 59:18 you to help you find it. 59:19 A. I got it. 59:20 Q. Okay. Do you know what a 59:21 red flag is in the context of this 59:22 presentation? 59:23 A. A red flag is something that 59:24 could possibly involve closer scrutiny or 60:1 further investigation if identified.	HE05.12
60:2 - 60:4	Hazewski, Edward 10-25-2018 (00:00:07) 60:2 Q. Why would these things lead 60:3 you to want to conduct closer scrutiny, 60:4 something that's a red flag?	HE05.13
60:7 - 60:18	Hazewski, Edward 10-25-2018 (00:00:32) 60:7 THE WITNESS: Well, it's -- 60:8 it's information that comes to 60:9 light that prompts more questions. 60:10 And in order to thoroughly 60:11 investigate suspicious orders or 60:12 indicators of potential diversion, 60:13 it's necessary to identify the	HE05.14

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60:20 - 61:6	<p>60:14 flag and -- and try to determine 60:15 the reasons behind that red flag. 60:16 Perhaps there's reasonable -- a 60:17 reasonable explanation for 60:18 something, perhaps not.</p> <p>Hazewski, Edward 10-25-2018 (00:00:23)</p> <p>60:20 Q. Well, let's go through 60:21 the -- the next -- some of these red 60:22 flags that you put in your presentation 60:23 here. 60:24 The first one is, 61:1 "Dispensing large quantities of Oxycodone 61:2 prescriptions, (greater than 12 to 61:3 15 percent) when compared with total 61:4 number of prescriptions." 61:5 Do you see that? 61:6 A. Yes.</p>	HE05.15
61:18 - 62:8	<p>Hazewski, Edward 10-25-2018 (00:00:56)</p> <p>61:18 Q. Why is dispensing a 61:19 large quantity, something that's 12 to 61:20 15 percent more of Oxycodone when -- 61:21 sorry, let me just rephrase that. 61:22 Why would dispensing a large 61:23 quantity of Oxycodone in comparison with 61:24 the total number of prescriptions at a 62:1 pharmacy be a red flag? 62:2 A. Well, based on information 62:3 from the DEA and other industry sources, 62:4 Oxycodone was a high risk for potential 62:5 diversion, so that particular product was 62:6 scrutinized more closely than -- and 62:7 higher concentrations are cause for 62:8 concern without a reasonable explanation.</p>	HE05.16
62:9 - 62:12	<p>Hazewski, Edward 10-25-2018 (00:00:10)</p> <p>62:9 Q. Why is it a concern if a 62:10 pharmacy has got something 12 to 62:11 15 percent or more of its total sales are 62:12 Oxycodone, why is that a concern?</p>	HE05.17
62:15 - 62:24	<p>Hazewski, Edward 10-25-2018 (00:00:27)</p> <p>62:15 THE WITNESS: It's a concern</p>	HE05.18

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	62:16 because, again, Oxycodone is at 62:17 high risk for potential diversion. 62:18 And a customer dispensing larger 62:19 quantities is cause to ask further 62:20 questions as to why they are 62:21 following -- you know, following 62:22 that particular business model. 62:23 There may be explanations. 62:24 There may not.	
63:11 - 64:1	Hazewski, Edward 10-25-2018 (00:00:49) 63:11 Q. Do you recall any reasons 63:12 that any pharmacy might have provided to 63:13 you for having that ratio of Oxycodone 63:14 to -- as compared to their total number 63:15 of prescriptions? 63:16 A. Yes. 63:17 Q. Can you provide some of the 63:18 reasons you recall? 63:19 A. Well, the -- probably the 63:20 primary reason is they are servicing a 63:21 demographic usually classified as pain 63:22 management that -- I'm not a doctor, but 63:23 I -- I'm assuming the Oxycodone is 63:24 generally a regimen that pain doctors 64:1 would prescribe.	HE05.19
66:23 - 67:3	Hazewski, Edward 10-25-2018 (00:00:14) 66:23 Q. At any time during your 66:24 tenure at AmerisourceBergen, did the 67:1 company ever examine the legitimacy of 67:2 physicians as part of its diversion 67:3 control functions?	HE05.20
67:6 - 67:11	Hazewski, Edward 10-25-2018 (00:00:13) 67:6 THE WITNESS: We would 67:7 request information from customers 67:8 concerning their top prescribing 67:9 physicians and check available 67:10 public records. But beyond that, 67:11 no.	HE05.21
69:16 - 70:1	Hazewski, Edward 10-25-2018 (00:00:19) 69:16 Q. Let's go back to Exhibit 2.	HE05.22

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	69:17 We've got the slide that I was going to 69:18 ask you about up in front of you. 69:19 Another red flag of diversion is 69:20 dispensing a high percentage of oxycodone 69:21 30-milligram prescriptions versus all 69:22 other oxycodone strengths being 69:23 dispensed. 69:24 Do you see that? 70:1 You just had it, right	
70:2 - 70:12	Hazewski, Edward 10-25-2018 (00:00:32) 70:2 there, with your left hand. Keep going. 70:3 A. Gotcha. 70:4 Q. One more. There you go. 70:5 A. Yes, I see it. 70:6 Q. Okay. Why is that a red 70:7 flag of diversion. 70:8 A. For reasons that are unclear 70:9 to me, that particular strength of 70:10 oxycodone seemed to be considered to be 70:11 more highly abused than other -- other 70:12 strengths of the same product.	HE05.92
70:22 - 71:3	Hazewski, Edward 10-25-2018 (00:00:21) 70:22 Q. And why would it be a 70:23 concern if a pharmacy was dispensing more 70:24 of this than other types of oxycodone? 71:1 A. Well, knowing that it's more 71:2 prone to abuse, that would become a 71:3 concern for -- for us.	HE05.23
71:17 - 71:23	Hazewski, Edward 10-25-2018 (00:00:16) 71:17 Have you heard of the idea 71:18 that people would travel to places like 71:19 Florida and bring pills back into other 71:20 areas like West Virginia and Ohio, among 71:21 other states? 71:22 A. I've heard of that. 71:23 Q. Where did you hear that?	HE05.94
71:24 - 72:10	Hazewski, Edward 10-25-2018 (00:00:32) 71:24 A. I can't -- I couldn't say 72:1 who specifically I heard it from. But it 72:2 was generally discussed information in	HE05.95

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72:3 the industry.

72:4 Q. When do you believe was the

72:5 first time you heard that?

72:6 A. My best recollection would

72:7 have probably been when I took -- became

72:8 manager of the diversion control team.

72:9 Q. When was that?

72:10 A. 2008.

72:11 - 74:2

Hazewski, Edward 10-25-2018 (00:02:11)

HE05.93

72:11 Q. So looking at this slide --

72:12 I know we're going out of order, but it

72:13 was relevant to the area that we were

72:14 discussing. Why is dispensing

72:15 prescriptions to patients or from

72:16 physicians not from the local area a red

72:17 flag?

72:18 A. Well, it suggests that they

72:19 can't get the prescriptions they want

72:20 locally, so they branch out, would be my

72:21 best guess.

72:22 Q. Right. That the idea that

72:23 someone who has a legitimate medical need

72:24 for a prescription probably wouldn't be

73:1 driving out of the area to get their

73:2 prescription, correct?

73:3 A. I would agree with that.

73:4 Q. Let's go back to, a few

73:5 pages earlier, this page with the money

73:6 and the pills on it. The other way. The

73:7 other way, towards the beginning.

73:8 So you see another red flag

73:9 is accepting an unusually large

73:10 percentage of cash transactions for

73:11 prescriptions.

73:12 Do you see that?

73:13 A. I do.

73:14 Q. Why is that a red flag of

73:15 diversion?

73:16 A. Cash payments were generally

73:17 looked at as being subject to trying to

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	73:18 determine more information on those 73:19 transactions because of not being able to 73:20 track that information as you would 73:21 that's being paid by a third-party payor. 73:22 Q. Is it also the idea that 73:23 again a legitimate prescription, not 73:24 always but most likely, would have some 74:1 sort of insurance coverage associated 74:2 with it?	
74:5 - 74:5	Hazewski, Edward 10-25-2018 (00:00:01) 74:5 THE WITNESS: Yes.	HE05.25
77:24 - 77:24	Hazewski, Edward 10-25-2018 (00:00:03) 77:24 Q. Let's go to this slide here.	HE05.97
78:1 - 78:14	Hazewski, Edward 10-25-2018 (00:00:39) 78:1 You're there. It says, "Dispensing 78:2 controlled substance cocktails consisting 78:3 of multiple prescriptions for oxycodone, 78:4 Xanax and Soma for a single patient." 78:5 Do you see that? 78:6 A. Yes, I do. 78:7 Q. Why is that a red flag of 78:8 diversion? 78:9 A. Okay. Not being a 78:10 pharmacist or a doctor, it's my lay 78:11 understanding that cocktails similar to 78:12 what are described in this slide may not 78:13 conform to the medical -- a legitimate 78:14 medical purpose.	HE05.96
79:24 - 80:10	Hazewski, Edward 10-25-2018 (00:00:27) 79:24 Q. Have you heard of "The Holy 80:1 Trinity"? 80:2 A. I have. 80:3 Q. What is that? 80:4 A. A combination of an opioid, 80:5 a benzodiazepine, and a muscle relaxant 80:6 prescribed together to one patient. 80:7 Q. Is that something of 80:8 potential concern? 80:9 A. It is of potential concern, 80:10 yes.	HE05.27

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112:22 - 113:8	Hazewski, Edward 10-25-2018 (00:00:35) 112:22 Q. Have you heard of the idea 112:23 of a threshold? 112:24 A. Yes. 113:1 Q. What's a threshold? 113:2 A. A threshold is an internally 113:3 generated number that is going to trigger 113:4 further review of a customer's order. 113:5 Q. Did AmerisourceBergen use 113:6 thresholds as part of its order 113:7 monitoring program? 113:8 A. Yes.	HE05.28
116:21 - 117:10	Hazewski, Edward 10-25-2018 (00:00:29) 116:21 Q. Were customers informed of 116:22 what their thresholds were? 116:23 A. It was not our policy to 116:24 tell customers their thresholds. 117:1 Q. Do you know why it was your 117:2 policy not to tell your customers their 117:3 thresholds? 117:4 A. Well, it would give the 117:5 customer the opportunity to try to 117:6 manipulate the system to their advantage. 117:7 Q. And you would not want 117:8 customers to manipulate the system to 117:9 their advantage, correct? 117:10 A. Correct.	HE05.29
123:14 - 123:16	Hazewski, Edward 10-25-2018 (00:00:13) 123:14 Q. I'm going to hand you two 123:15 exhibits, what's marked as Exhibit 6 and 123:16 Exhibit 7.	HE05.30
123:17 - 123:22	Hazewski, Edward 10-25-2018 (00:00:31) 123:17 For the record, Exhibit 6 is 123:18 a one-page e-mail Bates labeled 123:19 ABDCMDL00282490. 123:20 And Exhibit 7 is a document 123:21 that was attached to that, was produced 123:22 in native, Bates labeled ABDCMDL00282491.	HE05.89
124:2 - 125:13	Hazewski, Edward 10-25-2018 (00:01:33) 124:2 Q. Do you recall sending	HE05.31

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124:3 e-mails to Walgreens people?

124:4 A. Yes.

124:5 Q. Okay. This is an e-mail

124:6 dated April 8, 2014, from you to a whole

124:7 host of people at Walgreens. Do you see

124:8 that?

124:9 A. Yes.

124:10 Q. Okay. And you say, "Team

124:11 WAG, find attached some data that I

124:12 believe could be the basis for part of

124:13 our discussion. Briefly, the first tab

124:14 is all Walgreens locations that had

124:15 Schedule II controlled substance order

124:16 lines flagged by the order monitoring

124:17 program, sorted largest (most lines) to

124:18 smallest. We can discuss further

124:19 tomorrow."

124:20 Do you see that?

124:21 A. Yes.

124:22 Q. Do you agree that you sent

124:23 them the attached spreadsheet?

124:24 A. Yes.

125:1 Q. If you look at that

125:2 spreadsheet, among, in addition to

125:3 disclosing the information that you

125:4 discuss in your e-mail. If you look, one

125:5 of the columns is the threshold.

125:6 Do you see that?

125:7 A. Yes.

125:8 Q. And then it lists the

125:9 threshold for each location. Do you see

125:10 that?

125:11 A. Yes.

125:12 Q. Is that correct?

125:13 A. That's correct.

125:14 - 126:19

Hazewski, Edward 10-25-2018 (00:01:45)

HE05.32

125:14 Q. If it was against the

125:15 company's policy and the DEA told you not

125:16 to share thresholds, why were you sending

125:17 them to Walgreens?

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125:18 A. Well, the information that
 125:19 was sent, and I believe the basis for
 125:20 this message, was a request received from
 125:21 Walgreens' pharmacy integrity unit, which
 125:22 that unit are the people who are listed
 125:23 on this e-mail.
 125:24 Their pharmacy integrity
 126:1 group are their version of our diversion
 126:2 control team. So they monitored their
 126:3 internal customer orders. And we worked
 126:4 on a regular basis hand in hand with that
 126:5 group with the -- obviously, the goal
 126:6 jointly to help monitor the customer
 126:7 orders generated by their stores.
 126:8 They had made a request at
 126:9 some point that orders submitted by their
 126:10 stores that breach a threshold just be
 126:11 canceled and not reviewed any further,
 126:12 that they would not like those orders to
 126:13 be filled.
 126:14 So this -- I can't say this
 126:15 for certain. But I believe the sending
 126:16 of this information was in furtherance of
 126:17 their request and our joint efforts to
 126:18 work together to try to, you know,
 126:19 achieve our goals.

128:1 - 128:6

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HE05.33

128:1 Q. I'm handing you what's
 128:2 marked as Exhibit 8. For the record,
 128:3 it's multiple page e-mail Bates-labeled
 128:4 ABDCMDL00280818 through 822. Take a
 128:5 minute to review that and let me know
 128:6 when you're done.

138:9 - 138:20

Hazewski, Edward 10-25-2018 (00:00:40)

HE05.34

138:9 Q. The next sentence here --
 138:10 we're on Page 280820 -- Steve is saying
 138:11 to Chris: "I'm trying to think of
 138:12 everything we can do to prevent having a
 138:13 bunch of orders reported to DEA and
 138:14 held."

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	138:15 Do you see that?	
	138:16 A. Yes.	
	138:17 Q. Do you know why Steve is	
	138:18 trying to implement practices at	
	138:19 AmerisourceBergen to avoid reporting	
	138:20 Walgreens orders to DEA and holding them?	
138:23 - 138:24	Hazewski, Edward 10-25-2018 (00:00:02)	HE05.35
	138:23 THE WITNESS: I don't know	
	138:24 why he made that statement.	
139:12 - 139:15	Hazewski, Edward 10-25-2018 (00:00:09)	HE05.36
	139:12 Q. Did you ever speak up upon	
	139:13 receiving this e-mail and say, why, why	
	139:14 are we going to try to avoid reporting	
	139:15 orders to DEA for Walgreens?	
139:19 - 139:20	Hazewski, Edward 10-25-2018 (00:00:02)	HE05.37
	139:19 THE WITNESS: Not to my	
	139:20 recollection.	
141:8 - 141:14	Hazewski, Edward 10-25-2018 (00:00:22)	HE05.38
	141:8 Q. You see here the next	
	141:9 sentence on that same page, 280820, it	
	141:10 says: "The more data Walgreens can share	
	141:11 with us the better off we will all be."	
	141:12 A. Yes, I see that.	
	141:13 Q. Do you have an understanding	
	141:14 about what that's about?	
141:18 - 142:13	Hazewski, Edward 10-25-2018 (00:00:52)	HE05.39
	141:18 THE WITNESS: No, I can only	
	141:19 suggest that it -- it's just --	
	141:20 obviously onboarding any customer,	
	141:21 we want to know as much about --	
	141:22 in fact, we're mandated to know	
	141:23 your customer through our due	
	141:24 diligence program. And I see this	
	142:1 as being part of that.	
	142:2 BY MR. PIFKO:	
	142:3 Q. When you talk about being	
	142:4 mandated to know your customer, what are	
	142:5 you supposed to know about your customer	
	142:6 through that mandate?	
	142:7 A. Everything there is to know	

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142:8 about a pharmacy customer, including 142:9 their business model, who they service, 142:10 obviously their license numbers, their -- 142:11 every -- every facet of what you would 142:12 expect to know from a business partner, 142:13 you try to gather through that process.		
146:21 - 146:23	Hazewski, Edward 10-25-2018 (00:00:07)	HE05.99
146:21 Q. I've handed you what's 146:22 marked as Exhibit 9. Do you see it's a 146:23 press release from the United States		
146:24 - 147:9	Hazewski, Edward 10-25-2018 (00:00:20)	HE05.98
146:24 Attorney's Office for the Southern 147:1 District of Florida announcing Walgreens' 147:2 payment of an \$80 million fine for civil 147:3 penalties under the Controlled Substance 147:4 Act? 147:5 Do you see that? 147:6 A. Yes. 147:7 Q. It's dated June 11, 2013. 147:8 Do you see that? 147:9 A. Yes.		
155:4 - 155:13	Hazewski, Edward 10-25-2018 (00:00:16)	HE05.41
155:4 Okay. We're on the second 155:5 page here. 155:6 It says: "First, the 155:7 Jupiter distribution center failed to 155:8 comply with DEA regulations that required 155:9 it to report to the DEA suspicious 155:10 prescription drug orders that it received 155:11 from Walgreens' retail pharmacies." 155:12 Do you see that? 155:13 A. Yes, I do.		
155:20 - 155:22	Hazewski, Edward 10-25-2018 (00:00:04)	HE05.42
155:20 Q. Were you aware that the 155:21 Jupiter distribution center failed to 155:22 comply with DEA regulations?		
156:1 - 156:3	Hazewski, Edward 10-25-2018 (00:00:06)	HE05.43
156:1 THE WITNESS: In or around 156:2 the time this press release was 156:3 released, I became aware of it.		

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Page/Line	Source	ID
156:5 - 156:8	Hazewski, Edward 10-25-2018 (00:00:09) 156:5 Q. How did you become aware of 156:6 it? 156:7 A. Through reading similar 156:8 press releases from various agencies.	HE05.44
156:23 - 157:2	Hazewski, Edward 10-25-2018 (00:00:08) 156:23 Q. All I'm asking you is if you 156:24 attempted to obtain information that 157:1 would allow you to know if Walgreens was 157:2 complying with DEA regulations.	HE05.45
157:5 - 157:6	Hazewski, Edward 10-25-2018 (00:00:04) 157:5 THE WITNESS: I have no 157:6 specific recollection of that.	HE05.46
157:8 - 157:24	Hazewski, Edward 10-25-2018 (00:00:35) 157:8 Q. Let's go to the next 157:9 paragraph, next full paragraph. It says 157:10 "second" on there. 157:11 "Second, the six retail 157:12 pharmacies in Florida that received the 157:13 suspicious drug shipments from the 157:14 Jupiter distribution center in turn 157:15 filled customer prescriptions that they 157:16 knew or should have known were not for 157:17 legitimate medical use." 157:18 Do you see that? 157:19 A. Yes. 157:20 Q. Were you aware that 157:21 Walgreens was sending prescriptions to 157:22 pharmacies who were then filling 157:23 prescriptions that they knew were not for 157:24 legitimate medical use?	HE05.47
158:6 - 158:9	Hazewski, Edward 10-25-2018 (00:00:06) 158:6 THE WITNESS: At some point 158:7 I became aware from reading the 158:8 press releases concerning this 158:9 matter.	HE05.48
158:11 - 158:16	Hazewski, Edward 10-25-2018 (00:00:11) 158:11 Q. In onboarding Walgreens as a 158:12 customer, did you make any effort to 158:13 learn about whether they were -- its	HE05.49

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Page/Line	Source	ID
158:14 158:15 158:16 158:19 - 158:22	158:14 pharmacies were filling prescriptions 158:15 that they knew or should have known were 158:16 not for legitimate medical use? Hazewski, Edward 10-25-2018 (00:00:06)	HE05.50
158:19 158:20 158:21 158:22 160:8 - 160:11	158:19 THE WITNESS: I don't recall 158:20 any specific conversations 158:21 concerning that matter with 158:22 Walgreens. Hazewski, Edward 10-25-2018 (00:00:20)	HE05.51
160:8 160:9 160:10 160:11 161:3 - 161:10	160:8 Q. For the record, Exhibit 160:9 Number 10 is Bates labeled 160:10 ABD CMDL00278509 through 00278513. 160:11 It is a series of e-mails. Hazewski, Edward 10-25-2018 (00:00:19)	HE05.52
161:3 161:4 161:5 161:6 161:7 161:8 161:9 161:10 161:19 - 161:22	161:3 Q. Okay. The subject is C2 161:4 hyper-accelerated Perrysburg. Do you see 161:5 that? 161:6 A. I do. 161:7 Q. Okay. At the very bottom of 161:8 this page it's an e-mail from John 161:9 Trippe. Do you know who that is? 161:10 A. I know John Trippe, yes. Hazewski, Edward 10-25-2018 (00:00:10)	HE05.53
161:19 161:20 161:21 161:22 162:4 - 162:18	161:19 Q. So he writes to -- a set of 161:20 e-mails that's called The Walgreens 161:21 General Distribution. Do you see that? 161:22 A. Yes. Hazewski, Edward 10-25-2018 (00:00:35)	HE05.54
162:4 162:5 162:6 162:7 162:8 162:9 162:10 162:11 162:12 162:13 162:14 162:15	162:4 Q. Okay. Well, anyway he 162:5 writes to that group. He says, "So what 162:6 would you call the Schedule II controlled 162:7 substances accelerated Walgreens 162:8 Perrysburg plan? The C2 162:9 hyper-accelerated Perrysburg plan. You 162:10 got it. Walgreens called late yesterday 162:11 afternoon and wants us to take on the 162:12 attached list of 225 Walgreens accounts 162:13 next week." 162:14 Do you see that? 162:15 A. Yes.	

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Page/Line	Source	ID
162:16 - 162:22	<p>162:16 Q. Were you aware that the</p> <p>162:17 company was rushing to take on these 225</p> <p>162:18 Walgreens accounts?</p> <p>Hazewski, Edward 10-25-2018 (00:00:02)</p>	HE05.55
162:24 - 163:3	<p>162:21 THE WITNESS: I was not</p> <p>162:22 aware of this communication, no.</p> <p>Hazewski, Edward 10-25-2018 (00:00:08)</p>	HE05.56
164:4 - 164:18	<p>162:24 Q. Okay. Well, you are -- you</p> <p>163:1 are -- through being copied on the upper</p> <p>163:2 e-mail, you did receive this, correct?</p> <p>163:3 A. Yes.</p> <p>Hazewski, Edward 10-25-2018 (00:00:36)</p>	HE05.57
165:2 - 165:2	<p>164:4 Q. Okay. So Steve says, "I'm</p> <p>164:5 concerned that these are the high risk</p> <p>164:6 accounts that Cardinal Health wants to</p> <p>164:7 dump ASAP, so I want to make sure that we</p> <p>164:8 have them sized properly and get the</p> <p>164:9 correct thresholds set."</p> <p>164:10 Do you see that?</p> <p>164:11 A. I do.</p> <p>164:12 Q. And then that's when Chris</p> <p>164:13 also chimes in and copies you.</p> <p>164:14 "We should also put the</p> <p>164:15 sales staff on alert in the area where</p> <p>164:16 these stores are in case we have to have</p> <p>164:17 them go in and do a 590."</p> <p>164:18 Do you see that?</p> <p>Hazewski, Edward 10-25-2018 (00:00:00)</p>	HE05.102
167:8 - 167:17	<p>165:2 A. All right.</p> <p>Hazewski, Edward 10-25-2018 (00:00:23)</p>	HE05.58
	<p>167:8 Q. Okay. So do you recall</p> <p>167:9 there being a discussion about concerns</p> <p>167:10 that these were accounts that Cardinal</p> <p>167:11 Health didn't want because they were high</p> <p>167:12 risk?</p> <p>167:13 A. No discussions that I</p> <p>167:14 participated in.</p> <p>167:15 Q. Okay. You were a recipient</p> <p>167:16 of this e-mail, correct?</p> <p>167:17 A. Yes.</p>	

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Page/Line	Source	ID
168:5 - 168:9	Hazewski, Edward 10-25-2018 (00:00:11) 168:5 Q. When you received this 168:6 e-mail, did you do any investigation into 168:7 these accounts to determine what Steve 168:8 was talking about, about these being high 168:9 risk accounts?	HE05.59
168:12 - 168:12	Hazewski, Edward 10-25-2018 (00:00:02) 168:12 THE WITNESS: I did not.	HE05.60
169:16 - 169:23	Hazewski, Edward 10-25-2018 (00:00:15) 169:16 Q. He says, "I'm 169:17 concerned that these are the" -- "the 169:18 high risk accounts that Cardinal Health 169:19 wants to dump." 169:20 Do you have any idea about 169:21 why Steve might have known that there 169:22 were high risk accounts that Cardinal 169:23 wanted to dump?	HE05.61
170:2 - 170:2	Hazewski, Edward 10-25-2018 (00:00:01) 170:2 THE WITNESS: I do not know.	HE05.62
172:3 - 172:6	Hazewski, Edward 10-25-2018 (00:00:07) 172:3 Q. So you never spoke with 172:4 anyone at Cardinal about high risk 172:5 Walgreens accounts? 172:6 A. I did not.	HE05.63
172:16 - 172:24	Hazewski, Edward 10-25-2018 (00:00:24) 172:16 Q. If you go to the first page 172:17 of Exhibit 10, Steve talks about reaching 172:18 out to Reardon on the bottom. 172:19 Do you see that? 172:20 A. Yes. 172:21 Q. Do you remember him ever 172:22 talking about reaching out to Steve 172:23 Reardon? 172:24 A. No, I don't.	HE05.64
214:12 - 214:14	Hazewski, Edward 10-25-2018 (00:00:07) 214:12 Q. You agree a 300 percent over 214:13 the average is a fair amount of wiggle 214:14 room in the thresholds?	HE05.100
214:17 - 214:19	Hazewski, Edward 10-25-2018 (00:00:05) 214:17 THE WITNESS: That's the	HE05.101

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235:14 - 235:15	<p>214:18 manner in which the system was 214:19 built. So yes, I agree with that.</p> <p>Hazewski, Edward 10-25-2018 (00:00:04)</p> <p>235:14 Q. I'm handing you what I've 235:15 marked as Exhibits 15 and 16.</p>	HE05.67
235:16 - 235:21	<p>Hazewski, Edward 10-25-2018 (00:00:27)</p> <p>235:16 For the record, 15 is a 235:17 one-page e-mail attaching Exhibit 16. 235:18 It's -- 15 is Bates labeled 235:19 ABDCMDL00279103, and 16 is 235:20 ABDCMDL00279104 through 106 -- or through 235:21 107.</p>	HE05.90
236:4 - 236:24	<p>Hazewski, Edward 10-25-2018 (00:00:49)</p> <p>236:4 Q. Exhibit 15 has an e-mail 236:5 from you, dated November 8, 2013, to 236:6 Steve Mays. It says: "This is the 236:7 document I put together this week." 236:8 Then Steve forwards it to 236:9 Chris Zimmerman and copies you. And 236:10 says, "Chris, here is Ed's other list 236:11 that you asked for last week." 236:12 Do you see that? 236:13 A. I do. 236:14 Q. Okay. And it attaches a 236:15 document called Diversion Control 236:16 Program, a Word document. Do you see 236:17 that? 236:18 A. Yes. 236:19 Q. Okay. Do you know what this 236:20 diversion control program document is? 236:21 A. It appears to be an 236:22 explanation of the day-to-day functions 236:23 of someone assigned to the diversion 236:24 control team.</p>	HE05.68
237:5 - 237:10	<p>Hazewski, Edward 10-25-2018 (00:00:11)</p> <p>237:5 Q. The discussion about the 237:6 diversion control program here, do you 237:7 believe this is -- accurately describes 237:8 attributes of the program as of that 237:9 date?</p>	HE05.69

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239:2 - 239:14	<p>237:10 A. Yes.</p> <p>Hazewski, Edward 10-25-2018 (00:00:34)</p> <p>239:2 Q. The third bullet point says,</p> <p>239:3 "Verify that a current (within the last</p> <p>239:4 three years) CSRA Form 590 has been</p> <p>239:5 completed and is on file."</p> <p>239:6 Do you see that?</p> <p>239:7 A. Yes.</p> <p>239:8 Q. What does that mean?</p> <p>239:9 A. Well, it means that we are</p> <p>239:10 to verify that within the last three</p> <p>239:11 years, a due diligence investigation had</p> <p>239:12 been completed or the Form 590 which</p> <p>239:13 is -- furthers that investigation on that</p> <p>239:14 customer.</p>	HE05.70
240:5 - 240:9	<p>Hazewski, Edward 10-25-2018 (00:00:07)</p> <p>240:5 Q. So it's the company's policy</p> <p>240:6 that that was one of the things that they</p> <p>240:7 were supposed to do when reviewing an</p> <p>240:8 order?</p> <p>240:9 A. Yes.</p>	HE05.71
241:24 - 242:6	<p>Hazewski, Edward 10-25-2018 (00:00:11)</p> <p>241:24 Q. It says -- the third bullet</p> <p>242:1 point, "As part of our due diligence</p> <p>242:2 process, we routinely request</p> <p>242:3 de-identified prescribing data from our</p> <p>242:4 pharmacy customers."</p> <p>242:5 Do you see that?</p> <p>242:6 A. Yes.</p>	HE05.72
242:15 - 242:21	<p>Hazewski, Edward 10-25-2018 (00:00:12)</p> <p>242:15 A. Oh, okay. I don't know that</p> <p>242:16 I would have used the word "routinely."</p> <p>242:17 But it occurred, yes, that we would</p> <p>242:18 request such information.</p> <p>242:19 Q. During your due diligence</p> <p>242:20 process?</p> <p>242:21 A. Yes.</p>	HE05.73
243:15 - 244:9	<p>Hazewski, Edward 10-25-2018 (00:00:48)</p> <p>243:15 Q. Well, let's just clarify.</p> <p>243:16 Why would you request de-identified</p>	HE05.74

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243:17 prescribing data from your pharmacy
 243:18 customers in connection with your due
 243:19 diligence process?
 243:20 A. If their ordering quantities
 243:21 were, you know, significant, we wanted to
 243:22 make certain that the products they were
 243:23 dispensing were being done so in a
 243:24 legitimate manner.
 244:1 Q. Where would you keep that
 244:2 information when you received it?
 244:3 A. The de-identified data?
 244:4 Q. Yeah.
 244:5 A. In the file.
 244:6 Q. In the due diligence file?
 244:7 A. Due diligence file.
 244:8 Q. For the customer?
 244:9 A. Correct.

245:8 - 245:18

Hazewski, Edward 10-25-2018 (00:00:23)

HE05.75

245:8 Q. Two more bullet
 245:9 points down, "The analysis identifies
 245:10 prescribers that are writing
 245:11 prescriptions of a questionable nature,
 245:12 e.g., drug cocktails, IR narcotics minus
 245:13 a long-acting opioid, and a high volume
 245:14 of the same prescription for every
 245:15 patient."
 245:16 Do you see that?
 245:17 A. Yes, I do.
 245:18 Q. What does that mean?

245:21 - 246:4

Hazewski, Edward 10-25-2018 (00:00:15)

HE05.76

245:21 THE WITNESS: What it means
 245:22 is the analysis of the
 245:23 de-identified data includes
 245:24 looking for those particular
 246:1 points that you just read off.
 246:2 BY MR. PIFKO:
 246:3 Q. And why would you look at
 246:4 those?

246:7 - 246:14

Hazewski, Edward 10-25-2018 (00:00:23)

HE05.77

246:7 THE WITNESS: We would look

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246:8 - 246:14	246:8 at those, again, triggered by what 246:9 might perhaps be ordering that 246:10 causes us concern, or just again, 246:11 to verify that the products are 246:12 being dispensed in a legitimate 246:13 fashion for legitimate medical 246:14 purpose.	
246:16 - 246:24	Hazewski, Edward 10-25-2018 (00:00:14) 246:16 Q. "The analysis may also 246:17 identify unnamed patients that are doctor 246:18 shopping in addition to patients 246:19 traveling considerable distance to fill a 246:20 prescription." 246:21 Do you see that? 246:22 A. Yes. 246:23 Q. That's a true statement 246:24 about the analysis?	HE05.78
247:3 - 247:4	Hazewski, Edward 10-25-2018 (00:00:03) 247:3 THE WITNESS: It's a 247:4 component of the analysis, yes.	HE05.79
247:13 - 247:14	Hazewski, Edward 10-25-2018 (00:00:05) 247:13 Q. Why would they be looking at 247:14 whether a patient is doctor shopping?	HE05.80
247:19 - 248:2	Hazewski, Edward 10-25-2018 (00:00:18) 247:19 THE WITNESS: We want to 247:20 make certain the products that 247:21 we're dispensing -- or 247:22 distributing to our pharmacy 247:23 customers, once it leaves our 247:24 purview, that it's being dispensed 248:1 by the pharmacy in a legitimate 248:2 manner.	HE05.81
248:17 - 249:23	Hazewski, Edward 10-25-2018 (00:01:49) 248:17 Q. Let's look at Item Number 7, 248:18 projects. What's the low volume account 248:19 project? 248:20 A. We routinely reviewed, as I 248:21 said a few minutes ago, reports that 248:22 would generate. One was a report which 248:23 indicated percentage of controls versus	HE05.82

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248:24 noncontrols. We were trying to isolate
 249:1 in the low volume project accounts that
 249:2 were purchasing little -- little product,
 249:3 and the product that they were was high
 249:4 risk controlled substances. And it was a
 249:5 pattern that we wanted to try to
 249:6 eliminate.

249:7 Q. Why did you want to try to
 249:8 eliminate that?

249:9 A. We didn't want to be
 249:10 sourcing high risk controls to the
 249:11 exclusion of all of the other maintenance
 249:12 products that go along with it.

249:13 Q. And why is that?

249:14 A. We're not -- we're in the
 249:15 business of being a primary wholesaler.
 249:16 That business was not capturing what we
 249:17 considered to be data that would indicate
 249:18 them as a primary customer.

249:19 Q. When you talk about primary
 249:20 and secondary, you mean that there's the
 249:21 potential for that customer buying other
 249:22 materials from another distributor and
 249:23 then buying controls from you?

250:3 - 250:3 **Hazewski, Edward 10-25-2018 (00:00:00)**

HE05.83

250:3 THE WITNESS: Yes.

250:5 - 251:6 **Hazewski, Edward 10-25-2018 (00:01:03)**

HE05.84

250:5 Q. And that's not a practice
 250:6 that you want to occur?

250:7 A. Correct.

250:8 Q. Third bullet point, "IMS
 250:9 data pilot."

250:10 Do you see that?

250:11 A. I do.

250:12 Q. Do you know what that's
 250:13 about?

250:14 A. I have little experience
 250:15 with IMS data. But it's -- I don't know
 250:16 how it would be explained in terms of how
 250:17 the data is stored. But it was

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250:18 information that was not available unless

250:19 you subscribed to purchasing IMS data,

250:20 and it could provide information that

250:21 wasn't readily available on other

250:22 sources.

250:23 Q. At some point, did

250:24 AmerisourceBergen subscribe to purchase

251:1 IMS data?

251:2 A. My recollection is we did a

251:3 pilot project. I don't know if we ever

251:4 purchased the service.

251:5 Q. What did you intend to use

251:6 that data for? Do you know?

251:5 - 251:6

Hazewski, Edward 10-25-2018 (00:00:03)

HE05.85

251:5 Q. What did you intend to use

251:6 that data for? Do you know?

251:9 - 251:10

Hazewski, Edward 10-25-2018 (00:00:03)

HE05.86

251:9 THE WITNESS: Specifically I

251:10 don't know.

Plaintiffs Affirmative Designations = 00:34:58

Defense Completeness Counters = 00:03:32

Our Completeness Counters = 00:00:44

Total Time = 00:39:14